

SMITHFIELD CITY REDEVELOPMENT AGENCY

APRIL 12, 2017

The Smithfield City Redevelopment Agency Board met for their regular monthly board meeting at 96 South Main, Smithfield, Utah on Wednesday, April 12, 2017. Chairman Darrell G. Simmons was in the chair.

The following board members were in attendance: Deon Hunsaker, Barbara Kent, Kris Monson, Jeff Barnes and Curtis Wall.

Executive Director Craig Giles and Secretary Justin Lewis were also in attendance.

The meeting opened at 9:00 P.M.

APPROVAL OF THE RDA MEETING MINUTES FROM JANUARY 11, 2017

A motion to approve the January 11, 2017 RDA meeting minutes was made by Kris, seconded by Curtis and the vote was unanimous.

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

CONTINUED DISCUSSION AND POSSIBLE VOTE ON THE LOAN REQUEST BY DOODLEBUG ACADEMY, LLC.

Brent Lawyer reminded the board a proposal had been introduced to the board approximately six months before. Since the original proposal the building has been redesigned and scaled back from approximately 18,000 square feet down to 13,000 square feet. Building costs are up so the project is going to cost the same amount but the building will be smaller. The footprint of the building has been expanded. The project has been held up because of engineering changes. The only remaining item to be completed is the structural engineering. The capacity of the building will still be 220 children.

Curtis asked if the layout of the building would be the same? Brent stated that was correct as the only change was to remove 5,000 square feet that was going to be used for future expansion.

Jeff asked if the area of that building that extends above the roof line was just for looks or for another purpose? Brent replied just for looks and to cover up items seen on the roof. Amy Jones stated the exterior walls were extended higher than the roof line to cover up the air conditioning units so they would not be visible from ground level.

Chairman Simmons asked if the request had been changed from a loan request to a grant request for infrastructure? Also, have all of the financing issues been resolved? Brent stated the project is approved by the lending company pending the appraisal.

Chairman Simmons asked if the current request is for a grant for infrastructure assistance? Brent stated that is correct.

Chairman Simmons asked why the earthwork was \$93,000 and what the StormTech estimate of \$39,000 includes? Brent informed the board with the footprint of the building being expanded there was not enough parking unless the storm water is collected below ground. A StormTech system allows all of the storm water to be collected under the parking lot as opposed to above ground ponds.

Jeff asked how the storm water is stored? Brent stated in an underground retention area. Craig stated there are some plastic components, gravel and a silt barrier. The city office building has this type of system under the parking lot.

Jeff asked where the storm water goes after it is collected? Brent replied it percolates into the ground over time or if the pond is overflowing then it would come above ground and go into the storm water system for the subdivision.

Chairman Simmons stated the design of the building looks nice but more specifics are needed on the grant request. Normally, two or three bids are needed for the project. Brent replied he would have bids on the project within two weeks for the board to review and consider.

Chairman Simmons stated if the project is approved the contractors will be paid directly. Brent stated he understood.

Brent mentioned the original request was for \$295,000 of site work but the new request will be for around \$208,000.

Justin informed Brent a new simple application would be required since the request is changing from a loan to a grant.

Curtis asked if the same type of material was being used on the outside of the proposed building as was used on the new Prestige Solutions building? Brent replied he was not sure but thought it would be similar. Mike Jones mentioned the builder, Ironwood Development, had been in contact with the city staff and the exterior material will meet the gateway requirements the city has in place in the city code.

Brent informed the board the materials used on the Prestige Solutions building are so efficient their utility costs have been reduced by 70%.

Jeff asked how much funding the RDA has available? Craig stated there is approximately \$1,000,000 that has not been encumbered at this time.

Barbara asked if the request for a loan had been removed? Brent stated that was correct.

Jeff felt \$200,000 was a reasonable request for what is being accomplished.

Barbara mentioned to Mike and Amy a new business similar to what they are proposing is going to be built in the city. Chairman Simmons mentioned Jaci Bennett is going to build a new building at 72 North Main for her daycare facility. Curtis replied the facility operated by Jaci

will have around 80 students. Brent replied he felt the clientele of Jaci's is different than Mike and Amy's so they were not concerned.

Chairman Simmons asked when Jaci intended to start the building process? Justin replied in the next 30 to 45 days as her goal is to have the building built and operational by the start of the upcoming school year.

Chairman Simmons asked Mike and Amy if they are ready to start their project as well? Amy replied as soon as the financing is completed they are ready to proceed. Brent stated the delay in the project has been because the architect has been slow in finishing up the plans after the building was downsized.

Craig asked if Ironwood would be building the building? Brent stated that was correct as they have exclusive building rights on the property unless a buyout fee is arranged.

Chairman Simmons informed Brent the grant request will be reviewed and voted on at the May 10th board meeting. Justin stated all of the bids and information need to be submitted no later than Friday, May 5th.

BOARD MEMBER REPORTS

Deon reminded the board he voted against the Jaci Bennett project as it would take over 90 years for the city to recoup the investment in property tax received by the city.

Kris stated she still supported the project and it is great for children in the community.

Deon mentioned the board should be loaning funds not giving the funding away as grants.

Chairman Simmons reminded the board the RDA will close in less than two years.

Deon stated the request by Jaci and Doodlebug only bring property tax revenue to the city not any sales tax as they are service based businesses.

Chairman Simmons asked Craig his thoughts on the approval for Jaci and consideration of the request by Doodlebug. Craig stated he considered the request by Doodlebug differently than Deon. The facility will serve 220 kids and bring 75 to 100 cars to that area of the city every work day. Those people in turn will go to local convenience stores, Lee's Marketplace and eateries so there will be additional revenue coming to the city than just property tax.

Curtis mentioned by adding another building to the Blackrock Subdivision this could spur growth in the area and others might choose to build there as well.

Craig reminded the board the city wants a new traffic light on the highway at 800 South. UDOT (Utah Department of Transportation) had notified the city until traffic at the intersection increased by at least 50% there would not be a traffic light at that intersection.

Chairman Simmons also mentioned Lee's Marketplace will have competition at some point in the future as right now two or three other entities are considering Smithfield for their business which is similar in nature.

Chairman Simmons also mentioned sales tax revenue from Lee's Marketplace will most likely decrease when their new store in Richmond is built in a few years.

Jeff mentioned a discussion was previously held regarding installing a new sidewalk on Main Street from approximately 400 South to 500 South on the east side of the highway. The staff felt the highway and associated right of way is not in the RDA but Jeff stated he agreed with Deon and feels the highway and right of way are in the RDA and the project would qualify as an RDA project. Deon stated there are two homes and the building occupied by The Family Place that need sidewalk installed in front of them in the area.

Jeff asked for the request to be reviewed again and included in the new budget, if allowed. Craig replied the request had been reviewed and the RDA is parcel specific and the highway is not in the RDA. Jeff disagreed and stated he believes the highway is in the RDA.

Jeff asked Craig to supply him copies of the legal information on the RDA so he could review if the highway is included or not included in the RDA boundary.

Jeff felt extending the sidewalk in that specific area is important and needs to be done. Craig replied the sidewalk can be included if the board feels it qualifies and is allowed as the board has the final say.

****A motion to adjourn at 9:23 P.M. was made by Kris.****

**SMITHFIELD CITY CENTRAL BUSINESS
DISTRICT REDEVELOPMENT AGENCY**

Darrell G. Simmons, Chairman

ATTEST:

Justin B. Lewis, Secretary

SMITHFIELD CITY REDEVELOPMENT AGENCY
96 South Main
Smithfield, Utah 84335

AGENDA

Public Notice is given that the Smithfield City Redevelopment Agency Board will meet in a regularly scheduled meeting at 96 South Main, Smithfield, Utah on Wednesday, **April 12, 2017**. The meeting will begin no sooner than 8:00 P.M.

1. Approval of the RDA meeting minutes from January 11, 2017.
2. Continued discussion and possible vote on the loan request by Doodlebug Academy, LLC.
3. Board Member reports.

Adjournment

Items on the agenda may be considered earlier than shown on the agenda.

In accordance with the Americans with Disabilities Act, individuals needed special accommodation for this meeting should contact the City Recorder at (435) 792-7990, at least (3) days before the date of this meeting.